

SERVICE DATE - LATE RELEASE OCTOBER 2, 1997

SURFACE TRANSPORTATION BOARD

DECISION

STB Ex Parte No. 573

RAIL SERVICE IN THE WESTERN UNITED STATES

AGENCY: Surface Transportation Board.

ACTION: Notice of Proceeding and Public Hearing.

SUMMARY: The Surface Transportation Board (Board) is instituting a proceeding and will hold a public hearing on October 27, 1997, at its offices in Washington, DC, to provide interested persons the opportunity to report on the status of rail service in the western United States and to review proposals for solving the service problems that exist.

DATES: Persons wishing to appear at the hearing and make a statement must submit their request to speak at the hearing, and their requested time allotment, by October 9, 1997. The Board will issue a schedule for the hearing, along with a list of speakers and their allotted times, by October 16, 1997. Speakers' written statements must be filed with the Board by October 23, 1997.

ADDRESSES: Send requests to speak and requested time allotments (an original and 10 copies) referring to STB Ex Parte No. 573 to: Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001.

FOR FURTHER INFORMATION CONTACT: Joseph H. Dettmar (202) 565-1600. [TDD for the hearing impaired: (202) 565-1695.]

SUPPLEMENTARY INFORMATION: The Surface Transportation Board (Board) is instituting a proceeding on its own motion and will hold a public hearing beginning at 10:00 a.m., on October 27, 1997, at its offices at 1925 K Street, N.W., Washington, DC, to provide an opportunity for interested persons, including carriers, shippers, and employees, to report on the status of rail service in the western United States and to review proposals for solving service problems. The Board has been made aware of railroad service problems in this area of the country [recently involving the Union Pacific Railroad Company/Southern Pacific Transportation Company (UP/SP)] through formal filings and public accounts, and, more recently, through informal communications between affected persons and the Board's Office of Compliance and Enforcement (OCE) about specific UP/SP service problems, which OCE has worked with UP/SP to resolve. Based on this information, we believe it is appropriate to hold a public hearing on the issue of rail service in the western part of the country, problems in the delivery of that service, and solutions, both governmental and non-governmental, that have been offered or might be offered to remedy these service problems. The focus of this proceeding is on the immediate resolution of existing problems.

This proceeding and this public hearing are being conducted separate and apart from the ongoing oversight proceeding in Union Pacific Corporation, Union Pacific Railroad Company, and Missouri Pacific Railroad Company--Control and Merger--Southern Pacific Rail Corporation, Southern Pacific Transportation Company, St. Louis Southwestern Railway Company, SPCSL Corp., and The Denver and Rio Grande Western Railroad Company, STB Finance Docket No. 32760 (Sub-No. 21). There, the focus is on whether the conditions we imposed in approving the application in Finance Docket No. 32760 have been successful in resolving the competitive problems that we found would exist as a result of our approval of the UP/SP control transaction in the absence of those conditions. Parties to the oversight proceeding have, however, commented on service problems on the UP/SP system, and both UP/SP and The Burlington Northern and Santa Fe Railway Company, in their most recent quarterly reports, filed October 1, 1997, in the oversight proceeding, have separately put forth proposals that, in their view, would lead to a resolution of the existing service problems. Given the immediacy of these service problems and the national, as well

as regional, interest in their resolution, we are instituting this proceeding to focus specifically on the rail service problems that have arisen in the western part of the country.<sup>1</sup>

We encourage interested persons to coordinate the presentation of their points of view by selecting of a single individual to appear at the hearing on behalf of their common interests so that the opportunity for input at the hearing can be maximized. Persons wishing to appear and make a statement at the hearing should submit a request for time to speak on or before October 9, 1997. The Board notes that, in the interest of a focused hearing, it must necessarily limit the number of persons allowed to speak. At this hearing, we intend to concentrate more on operational, resource, and customer service matters than on legal issues, and it would be helpful if speakers are individuals who are able to address such matters. The Board will issue a schedule for the October 27, 1997 hearing, along with a list of speakers and their allotted times, by October 16, 1997. Speakers' written statements of their presentations must be filed with the Board by October 23, 1997.

Notice of the October 27, 1997 hearing will be published in the Federal Register.

Decided: October 2, 1997.

By the Board, Chairman Morgan and Vice Chairman Owen.

Vernon A. Williams  
Secretary

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<sup>1</sup> To ensure that all parties to the oversight proceeding are aware of the proceeding we are instituting by this notice, we will serve a copy of this notice on all parties on the service list in the oversight proceeding.